

PRAIRIE STORM MINOR HOCKEY ASSOCIATION INC.

Financial Statements

Year Ended April 30, 2025

PRAIRIE STORM MINOR HOCKEY ASSOCIATION INC.
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Year Ended April 30, 2025

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DUDLEY & COMPANY LLP

Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Prairie Storm Minor Hockey Association Inc.

Opinion

We have audited the financial statements of Prairie Storm Minor Hockey Association Inc. (the "association"), which comprise the statement of financial position as at April 30, 2025, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the association as at April 30, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the association in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements for the year ended April 30, 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 13, 2024.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the association's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Dudley & Company LLP

Regina, Saskatchewan
June 24, 2025

Dudley & Company LLP
Chartered Professional Accountants

PRAIRIE STORM MINOR HOCKEY ASSOCIATION INC.
Statement of Financial Position
April 30, 2025

	2025	2024 <i>Restated</i>
ASSETS		
CURRENT		
Cash	\$ 382,558	\$ 281,055
Investments <i>(Note 4)</i>	-	106,617
Accounts receivable	64	9,007
Inventory	9,805	14,975
	<u>392,427</u>	411,654
PROPERTY, PLANT AND EQUIPMENT <i>(Note 3)</i>	<u>72,068</u>	64,061
	<u>\$ 464,495</u>	<u>\$ 475,715</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 11,435	\$ 20,550
Deferred revenue <i>(Note 5)</i>	23,537	24,680
	<u>34,972</u>	45,230
NET ASSETS		
Unrestricted	357,455	366,424
Invested in property, plant and equipment	72,068	64,061
	<u>429,523</u>	430,485
	<u>\$ 464,495</u>	<u>\$ 475,715</u>

ON BEHALF OF THE BOARD

Director

Director

The accompanying notes form an integral part of these financial statements

PRAIRIE STORM MINOR HOCKEY ASSOCIATION INC.
Statement of Revenues and Expenses
Year Ended April 30, 2025

	2025	2024 <i>Restated</i>
REVENUES		
Registration	\$ 765,032	\$ 686,180
Tournaments	82,890	36,556
Ice rental recovery	29,517	57,248
Bingo revenue	26,539	14,704
Hockey camps	53,800	49,300
Sponsorships	10,105	23,259
Grants	1,200	18,715
Fines and lates fees	1,025	-
	<u>970,108</u>	<u>885,962</u>
EXPENSES		
Amortization	19,818	42,701
Bond and insurance	51,997	50,744
Development and clinics	16,397	4,604
Equipment	31,751	549
Evaluations	22,465	15,263
Goalie credits	12,188	5,963
Hockey camps	7,322	7,285
Honorariums	7,620	7,486
Ice rental	599,065	518,583
Ice scheduler	27,202	16,250
League fees	26,450	23,000
Mileage and per diems	-	1,627
Miscellaneous	1,675	6,871
Office	12,391	4,432
Payment processing fees	27,067	26,459
Professional fees	16,680	23,253
Referee and timekeeper fees	10,066	13,170
Salaries and wages	38,190	34,790
Tournament expenses	51,327	24,300
Volunteer appreciation	1,150	2,358
	<u>980,821</u>	<u>829,688</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	(10,713)	56,274
OTHER INCOME		
Investment income	<u>9,751</u>	<u>12,005</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (962)	\$ 68,279

The accompanying notes form an integral part of these financial statements

PRAIRIE STORM MINOR HOCKEY ASSOCIATION INC.
Statement of Changes in Net Assets
Year Ended April 30, 2025

	Unrestricted	Invested in property, plant and equipment	2025	2024 <i>Restated</i>
NET ASSETS - BEGINNING OF YEAR	\$ 366,424	\$ 64,061	\$ 430,485	\$ 362,206
DEFICIENCY OF REVENUES OVER EXPENSES	(962)	-	(962)	68,279
Purchase of property, plant and equipment	(27,825)	27,825	-	-
Amortization	19,818	(19,818)	-	-
NET ASSETS - END OF YEAR	\$ 357,455	\$ 72,068	\$ 429,523	\$ 430,485

The accompanying notes form an integral part of these financial statements

PRAIRIE STORM MINOR HOCKEY ASSOCIATION INC.

Statement of Cash Flows

Year Ended April 30, 2025

	2025	2024 <i>Restated</i>
OPERATING ACTIVITIES		
Cash receipts from customers	\$ 977,908	\$ 892,069
Cash paid to suppliers and employees	(964,948)	(790,862)
Interest received	9,751	12,005
	<hr/>	<hr/>
Cash flow from operating activities	22,711	113,212
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(27,825)	(30,161)
	<hr/>	<hr/>
INCREASE (DECREASE) IN CASH FLOWS	(5,114)	83,051
Cash - beginning of year	387,672	304,621
	<hr/>	<hr/>
CASH - END OF YEAR	\$ 382,558	\$ 387,672
CASH CONSISTS OF:		
Cash	\$ 382,558	\$ 281,055
Investments	-	106,617
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	\$ 382,558	\$ 387,672
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The accompanying notes form an integral part of these financial statements

PRAIRIE STORM MINOR HOCKEY ASSOCIATION INC.

Notes to Financial Statements

Year Ended April 30, 2025

1. PURPOSE OF THE ASSOCIATION

Prairie Storm Minor Hockey Association Inc (the "association") is a not-for-profit organization in Saskatchewan. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The association is the governing body for minor hockey for an area which includes the communities of Balgonie, Pilot Butte, White City and Emerald Park.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Prairie Storm Minor Hockey Association Inc. follows the deferral method of accounting for contributions.

Registration fees are recognized as revenue over the playing season. Tournament revenue and sponsorships are recognized when the event occurs. Ice rental recovery is recognized when the ice time is provided. Fundraising, bingo, and donation revenues are recognized when the funds are received. Interest and other revenue are recognized as they are earned.

Inventory

Inventory consists of hockey socks and pucks and is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates:

Hockey jerseys and other equipment	25%
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The association regularly reviews its property, plant and equipment to eliminate obsolete items.

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Contributed services

Volunteers contribute their time each year to assist the Association in carrying out its service delivery activities. Because of the difficulty in determining the fair value of contributed services, volunteer contributions are not recognized in the financial statements.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

PRAIRIE STORM MINOR HOCKEY ASSOCIATION INC.

Notes to Financial Statements

Year Ended April 30, 2025

3. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Hockey jerseys and other equipment	\$ 148,305	\$ 76,237	\$ 72,068	\$ 64,061

4. INVESTMENTS

	2025	2024
Guaranteed investment certificate bearing interest at 3.4% annually, maturing in November 2024	\$ -	\$ 106,617

5. DEFERRED REVENUE

	2025	2024
Prairie Storm Bingo Parent's Association	\$ 23,537	\$ 24,680

Funds held under administration consists of cash balances that have been earned by the Parent's Association through the operation of bingo games. These balances are used to offset future year's registration fees or tournament fees for the individuals to whom the earned balance relates. These funds are held in a separate bank account of the Association.

PRAIRIE STORM MINOR HOCKEY ASSOCIATION INC.

Notes to Financial Statements

Year Ended April 30, 2025

6. FINANCIAL INSTRUMENTS

The association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure and concentration as of April 30, 2025.

Credit risk

The Association is exposed to credit risk from accounts receivable, cash, and investments. The carrying amounts of financial assets on the statement of financial position represent the Association's maximum credit exposure at the year-end date.

The amounts disclosed in the statement of financial position are net of allowance for doubtful accounts, estimated by management of the Association based on previous experience and its assessment of the current economic environment. The Association does not have significant exposure to any individual and has not incurred any significant bad debts during the year. Dealing with institutions that have strong credit ratings minimizes credit risk related to cash and investments.

Liquidity risk

Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association manages its liquidity risk by monitoring its operating requirements. The Association prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

Unless otherwise noted, it is management's opinion that the association is not exposed to significant other price risks arising from these financial instruments.

7. PRIOR PERIOD RESTATEMENT

Subsequent to the release of financial statements for the year ended April 30, 2024, an error was identified in the net book value of the property, plant and equipment as it was noted that the balances of furniture and fixtures as well as hockey jerseys were incorrectly recorded and should be adjusted to their correct amounts. Due to this error the association's property, plant and equipment balances were overstated in the prior period. The prior period comparative amounts have been restated from those previously reported to correct for this error. The correction has impacted the association's financial statements as follows:

a) The statement of financial position at May 1, 2023 has been restated as follows:

	<i>April 30</i> 2024	Adjustment	Restated
Property, plant and equipment	\$ 80,675	\$ (16,614)	\$ 64,061

(continues)

PRAIRIE STORM MINOR HOCKEY ASSOCIATION INC.
Notes to Financial Statements
Year Ended April 30, 2025

7. PRIOR PERIOD RESTATEMENT *(continued)*

b) The balance of net assets at May 1, 2023 was adjusted as follows:

	<i>April 30</i> <u>2024</u>
Net assets, beginning, as previously reported	\$ 447,099
Adjustments to beginning net assets:	
Restatement of property, plant and equipment	(16,614)
	<u> </u>
Net assets, beginning, as restated.	<u>\$ 430,485</u>

c) Expenses for the year ended April 30, 2024 which was previously reported, has been restated as follows:

	<i>April 30</i> <u>2024</u>	<u>Adjustment</u>	<u>Restated</u>
Expenses	\$ 813,074	\$ 16,614	<u>\$ 829,688</u>